Document 106

Filed 12/31/14 Page 1 of 29 Page ID

Case 2:14-cv-03053-MWF-AFM

Case 2:14-cv-03053-MWF-AFM Document 106 Filed 12/31/14 Page 2 of 29 Page ID #:4081 UNITED HEALTHCARE SERVICES, Discovery Cutoff: None Set 1 INC., UNITED HEALTHCARE Pretrial Conference Date: None Set INSURANCE COMPANY; OPTUMINSIGHT, INC., Trial Date: None Set 3 Counterclaim Plaintiffs, 4 V. ALMONT AMBULATORY SURGERY CENTER, LLC, a California limited liability company; et al., Counterclaim Defendants. 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 Case No. 2:14-cv-03053-MWF(VBKx) SMR11:435697394.1

Individual Counterclaim Defendants Michael Omidi, M.D. and Julian Omidi and Plaintiffs and Counterclaim Defendants Almont Ambulatory Surgery Center, LLC, et al. (collectively "Counterclaim Defendants") hereby do move this Court to redact portions of the Transcript of the December 12, 2014 discovery hearing before Magistrate Judge Victor B. Kenton. (DKT 98.) Counterclaim Defendants timely filed their Notice of Intent to Redact on December 29, 2014. (DKT 105.)

During the December 12, 2014 hearing, reference was made to matters regarding Magistrate Judge Victor B. Kenton's issuance of warrants in furtherance of the criminal investigation of various Counterclaim Defendants that are not in the public record. Therefore, Counterclaim Defendants request that any publicly available copies of the Transcript of the December 12, 2014 hearing be redacted consistent with attached Exhibit 1 (redacting text appearing at page 17, line 25 to and including page 20, line 22).

Consequently, Counterclaim Defendants respectfully request that this *ex parte* application for an order redacting the Transcript be granted. Per Local Rule 7-19.1, Counterclaim Defendants notified counsel for Defendants and Counterclaim Plaintiffs, Bryan Westerfeld (Walraven & Westerfeld LLP, 101 Enterprise, Suite 350, Aliso Viejo, CA 92656, 949-215-1997, bwesterfeld@calemployerlaw.com; and R. J. Zayed (Dorsey & Whitney LLP, Suite 1500, 50 South Sixth Street, Minneapolis, MN 55402-1498, 612-340-2600, zayed.rj@dorsey.com) that they would be making this application. Counsel for Defendants and Counterclaim Plaintiffs do not oppose this application.

Case 2	2:14-cv-03053-MWF-AFM	Document 106 #:4083	Filed 12/31/14	Page 4 of 29 Page ID	
1	Dated: December 30, 20	014			
2	Respectfully submitted,				
3	SHEPPARD, MULLIN, RICHTER & HAMPTON LLP				
4		SHEFFARD	, MOLLIN, RIC	HIER & HAMPTON LLP	
5		By	/c/ Charle	es L. Kreindler	
6		<u></u>		L. KREINDLER	
7				lual Counterclaim	
8			endants Michael Julian Omidi	Oillidi, M.D.	
9		HOOPER, L	UNDY & BOOF	KMAN, P.C.	
10		ŕ		,	
11		Ву	/s/ Dar	on L. Tooch	
12		Atta		N.L. TOOCH	
13			The state of the s	ffs and Counterclaim Ambulatory Surgery	
14			er, LLC, et al.		
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	SMR11:435697394.1		-2-	Case No. 2:14-cv-03053-MWF(VBKx)	

EXHIBIT 1

	#. 4 005			
1	UNITED STATES DISTRICT COURT			
2	CENTRAL DISTRICT OF CALIFORNIA			
3	WESTERN DIVISION			
4				
5				
6				
7	ALMONT AMBULATORY SURGERY) CENTER, LLC, ET AL.,)			
8))			
9	PLAINTIFFS,)			
10	V.) CV 14-03053-MWF(VBK)) DECEMBER 12, 2014			
11	UNITEDHEALTH GROUP, INC.,)			
12	ET AL.,) (10:02 A.M. TO 10:21 A.M.)			
13	DEFENDANTS.)			
14)			
15	HEARING			
16	BEFORE THE HONORABLE VICTOR B. KENTON UNITED STATES MAGISTRATE JUDGE			
17				
18	APPEARANCES: SEE NEXT PAGE			
19	COURT REPORTER: RECORDED; COURT SMART			
20	COURTROOM DEPUTY: ROXANNE HORAN			
21	TRANSCRIBER: DOROTHY BABYKIN			
22	COURTHOUSE SERVICES 1218 VALEBROOK PLACE			
23	GLENDORA, CALIFORNIA 91740 (626) 963-0566			
24	(020) 000			
25	PROCEEDINGS RECORDED BY ELECTRONIC SOUND RECORDING; TRANSCRIPT PRODUCED BY TRANSCRIPTION SERVICE.			

2 APPEARANCES: (CONTINUED) 1 FOR THE PLAINTIFFS: HOOPER LUNDY & BOOKMAN PC 2 BY: ERIC DAVID CHAN ATTORNEY AT LAW 3 1875 CENTURY PARK EAST SUITE 1600 4 LOS ANGELES, CALIFORNIA 90067 5 FOR UNITEDHEALTH GROUP: DORSEY & WHITNEY LLP BY: RABEA JAMAL ZAYED 6 ATTORNEY AT LAW 50 SOUTH SIXTH STREET 7 SUITE 1500 MINNEAPOLIS, MINNESOTA 55402 8 FOR DEFENDANTS AND WALRAVEN & WESTERFELD LLP 9 COUNTERCLAIM BY: BRYAN SCOTT WESTERFELD DEFENDANTS: ATTORNEY AT LAW 10 101 ENTERPRISE SUITE 350 11 ALISO VIEJO, CALIFORNIA 92656 12 FOR DR. MICHAEL OMIDI SHEPPARD MULLIN RICHTER & HAMPTON AND JULIAN OMIDI: BY: BARBARA E. TAYLOR 13 CHARLES L. KREINDLER ATTORNEYS AT LAW 14 333 SOUTH HOPE STREET 43RD FLOOR 15 LOS ANGELES, CALIFORNIA 90071 16 17 18 19 20 21 22 23 24 25

	4			
1	LOS ANGELES, CALIFORNIA; FRIDAY, DECEMBER 12, 2014			
2	10:02 A.M.			
3	THE CLERK: THIS COURT IS NOW IN SESSION. THE			
4	HONORABLE VICTOR B. KENTON, UNITED STATES MAGISTRATE JUDGE,			
5	PRESIDING.			
6	CALLING CASE NUMBER CV 14-3053-MWF(VBKX), ALMONT			
7	AMBULATORY SURGERY CENTER VERSUS UNITEDHEALTH GROUP, ET AL.			
8	COUNSEL, PLEASE MAKE YOUR APPEARANCES FOR THE			
9	RECORD.			
10	MR. CHAN: GOOD MORNING, YOUR HONOR.			
11	ERIC CHAN OF HOOPER LUNDY & BOOKMAN FOR THE			
12	PLAINTIFFS AND FOR THE COUNTER DEFENDANT PROVIDERS THE			
13	ENTITY COUNTER DEFENDANTS.			
14	MR. KREINDLER: GOOD MORNING, YOUR HONOR.			
15	CHUCK KREINDLER AND BARBARA TAYLOR ARE APPEARING ON			
16	BEHALF OF THE INDIVIDUAL CROSS-DEFENDANTS DR. MICHAEL OMIDI			
17	AND JULIAN OMIDI.			
18	THE COURT: ALL RIGHT. THANK YOU.			
19	MR. WESTERFELD: GOOD MORNING, YOUR HONOR.			
20	BRYAN WESTERFELD ON BEHALF OF DEFENDANTS AND			
21	CROSS-COMPLAINANTS.			
22	THE COURT: ALL RIGHT. THANK YOU.			
23	HAVE A SEAT.			
24	WE'LL DO THE TWO MOTIONS. WE'RE GOING TO HAVE			

BRIEF ARGUMENT. THE CLERK HAS INDICATED WE'LL HOLD YOU TO

5 1 THAT. 2 LET'S DO THE MOTION FOR A PROTECTIVE ORDER FIRST. 3 WHO WANTS TO ADDRESS THAT? 4 MS. TAYLOR: I CAN START. 5 ON THE --THE COURT: FROM THE LECTERN, PLEASE. 6 7 MS. TAYLOR: OH, SORRY. 8 THE COURT: WALKING TO THE LECTERN WILL NOT COUNT 9 AGAINST YOUR TIME. 10 (LAUGHTER.) 11 MS. TAYLOR: THAT'S A GOOD IDEA. ON THE PROTECTIVE ORDER, WE AGREE WITH YOUR 12 13 PROPOSED LANGUAGE, YOUR HONOR. WE THINK THAT WILL ADDRESS THE ISSUE REGARDING GIVING US NOTICE IF DOCUMENTS ARE TURNED 14 15 OVER PURSUANT TO A GOVERNMENT REQUEST. 16 I JUST WANT TO CLARIFY ONE POINT. YOU INDICATED IN 17 ADDITION TO SUBPOENAS WRITTEN REQUESTS, I JUST WANT TO MAKE 18 SURE THAT WE ALL UNDERSTAND IF THE GOVERNMENT MAKES AN ORAL 19 REQUEST TO UNITED, THAT UNITED IS PRECLUDED FROM COMPLYING WITH THAT. 20 21 WOULD THAT BE A CORRECT UNDERSTANDING? 22 THE COURT: I'VE NEVER HEARD OF AN ORAL REQUEST FOR DOCUMENTS, BUT IT MAY BE BEYOND THE SEMANTIC POINT. 23 24 WHAT DO YOU FOLKS THINK -- LEAVE HER AT THE 25 LECTERN. WHAT DO YOU THINK ABOUT THAT? DO WE NEED TO CHANGE

6 THAT? DO YOU WANT TO JUST MAKE IT A REQUEST? 1 2 MR. ZAYED: YOUR HONOR, R.J. ZAYED ON BEHALF OF 3 UNITED. THAT'S ACCEPTABLE. THE COURT: WOULD THAT SATISFY EVERYBODY? 4 5 MS. TAYLOR: JUST MAKE IT A REQUEST? THE COURT: YOU CAN DO THAT, I SUPPOSE. 6 7 MS. TAYLOR: YES, OKAY. THAT WOULD -- THAT WOULD 8 WORK. 9 AND, THEN, YOUR HONOR, ONE OTHER POINT, WE DIDN'T 10 HAVE IT AS AN ISSUE IN DISPUTE IN OUR PAPERS, BUT THERE'S ONE 11 ADDITIONAL PROVISION IN THE PROTECTIVE ORDER THAT WE'RE STILL NEGOTIATING. AND I THINK WE CAN AGREE WITHOUT THE COURT'S 12 INTERVENTION ON THAT PROVISION. BUT WE BELIEVE THAT WE CAN'T 13 HAVE THE PROTECTIVE ORDER ENTERED UNTIL WE'VE RESOLVED THAT 14 15 ONE POINT. BUT WE'LL BE ABLE TO DO IT WITHOUT YOUR 16 ASSISTANCE, YOUR HONOR. THE COURT: MUSIC TO MY EARS. 17 18 MS. TAYLOR: OKAY. 19 THE COURT: ALL RIGHT. SO, I WILL ISSUE A FINAL ORDER THAT PARALLELS THE TENTATIVE UNLESS --20 21 DO YOU HAVE SOME PROBLEMS WITH THE TENTATIVE ORDER? 22 MR. ZAYED: YES, I HAVE ONE ISSUE, YOUR HONOR. 23 THE COURT: ALL RIGHT. WELL, YOU CAN SWITCH 24 POSITIONS. 25 MS. TAYLOR: OKAY.

7 MR. ZAYED: AGAIN, GOOD MORNING, YOUR HONOR. R.J. 1 2 ZAYED. 3 BRIEFLY, WE'RE IN AGREEMENT WITH THE COURT'S ORDER. 4 WE'RE FINE WITH THAT. THERE'S ONLY ONE CLARIFICATION THAT WE REQUEST. IN 5 THE OPENING PARAGRAPH OF THE COURT'S ORDER IT STATES: 6 7 "IF A PARTY IS SERVED WITH A WRITTEN REQUEST 8 FROM A GOVERNMENT AGENCY, OR A SUBPOENA OR COURT ORDER ISSUED IN OTHER LITIGATION THAT 9 10 COMPELS THE DISCLOSURE OF ANY INFORMATION 11 DESIGNATED IN THIS ACTION AS CONFIDENTIAL, THAT PARTY MUST." 12 THE COURT: OKAY. 13 MR. ZAYED: THE CONFIDENTIAL DESIGNATION I WOULD 14 LIKE THE ADDITION THAT IS DESIGNATING THIS ACTION AS 15 16 CONFIDENTIAL "BY AN OPPOSING PARTY." BECAUSE A LITERAL READING OF THAT STATEMENT AS IT 1.7 IS, UNITED SHOULD NOT HAVE TO DISCLOSE TO THE PLAINTIFFS 18 19 DOCUMENTS THAT IT ITSELF HAS, THAT -- ITS OWN DOCUMENTS WHICH IT DESIGNATED AS CONFIDENTIAL. IT SHOULD ONLY BE REQUIRED TO 20 DISCLOSE DOCUMENTS DESIGNATED BY OTHER PARTIES AS 21 CONFIDENTIAL. AND, SO, I WOULD ASK FOR THE ADDITION OF "BY 22 AN OPPOSING PARTY." BUT OTHER THAN THAT, WE'RE FINE WITH THE 23 24 ORDER. 25 THE COURT: WELL, MAYBE I'M MISSING SOMETHING.

DOES IT REALLY MATTER WHO DESIGNATED IT AS CONFIDENTIAL?

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MR. ZAYED: IT MATTERS IF WE DESIGNATED SOMETHING
AS CONFIDENTIAL AND IT IS OUR INFORMATION. WE DON'T BELIEVE
WE HAVE TO GIVE THEM NOTICE OF WHAT WE PROVIDED WITH OUR OWN
DOCUMENTS, WHAT WE DO WITH OUR OWN DOCUMENTS WITH RESPECT TO
A RESPONSE TO A SUBPOENA.

THE COURT: WELL, I DON'T KNOW. LET ME HEAR FROM COUNSEL ON THAT.

MS. TAYLOR: WELL, YOU KNOW, IN PRINCIPLE, I GUESS
IT MAKES SENSE IF IT'S HIS OWN DOCUMENTS. IT'S UNITED'S
DOCUMENTS. THEY DESIGNATED IT CONFIDENTIAL. THEY WOULDN'T
NECESSARILY HAVE TO LET US KNOW BEFORE THEY TURN THEM OVER
PURSUANT TO A SUBPOENA.

I THINK, THOUGH, NOT JUST AN OPPOSING PARTY, BUT IF

IT'S THIRD-PARTY DOCUMENTS, WE SHOULD HAVE AN OPPORTUNITY TO

HAVE NOTICE OF IT. BUT UNITED'S OWN DOCUMENTS THAT THEY'VE

DESIGNATED CONFIDENTIAL, YES, I WOULDN'T THINK WE WOULD NEED

TO KNOW ABOUT THAT BEFOREHAND.

MR. CHAN: I THINK IT'S DESIGNATED BY AN OPPOSING PARTY AS WELL IS WHAT WE'VE SAID, SO.

MS. TAYLOR: OR --

9 THE COURT: WE DON'T WANT -- WE DON'T WANT TO GET 1 2 INTO THIS. 3 MS. TAYLOR: YES. THE COURT: HOLD ON HERE. 4 5 MR. CHAN: SORRY, YOUR HONOR. MS. TAYLOR: YES, SORRY. 6 7 THE COURT: REAL FEDERAL COURT PRO OVER THERE, YOU KNOW, WHO KNOWS THAT WE DON'T DO THAT. SO, THANK YOU FOR THE 8 9 WARNING. BUT THAT'S OKAY. YOU CAN ADDRESS ME. I LIKE TO 10 11 KEEP THE FORMALITY. LET'S JUST GET SOME LANGUAGE HERE. OKAY. 12 DESIGNATED. LET'S GET LANGUAGE MUTUALLY AGREEABLE AFTER THE 13 WORD "DESIGNATED." DO YOU WANT TO SAY "BY AN OPPOSING 14 15 PARTY"? WE'LL START WITH THAT. MR. ZAYED: YOUR HONOR, IT WOULD BE: 16 "DESIGNATED THIS ACTION AS CONFIDENTIAL BY 17 AN OPPOSING OR THIRD PARTY." 18 THAT WOULD BE ACCEPTABLE. 19 20 THE COURT: IS THAT ALL RIGHT? MS. TAYLOR: THAT SEEMS TO COVER IT, RIGHT. AND WE 21 HAVE TO PREPARE A NEW PROTECTIVE ORDER ANYWAY TO ADD IN THIS 22 23 PROVISION WE'RE STILL NEGOTIATING, SO. THE COURT: WELL --24 25 MS. TAYLOR: BUT WE CAN AGREE ON THIS PROVISION

	10
1	HERE TODAY.
2	THE COURT: NO, I UNDERSTAND YOU HAVE SOMETHING
3	ELSE YOU'RE STILL WORKING ON.
4	SO, LET ME TELL YOU WHAT THIS FIRST PARAGRAPH IS
5	GOING TO SOUND LIKE AND SEE IF IT'S AGREEABLE.
6	"IF A PARTY IS SERVED WITH A REQUEST FROM
7	A GOVERNMENT AGENCY OR A SUBPOENA OR A COURT
8	ORDER ISSUED IN OTHER LITIGATION THAT COMPELS
9	DISCLOSURE OF ANY INFORMATION DESIGNATED IN
.0	THIS ACTION AS CONFIDENTIAL BY AN OPPOSING"
- 1	ACTUALLY IT SHOULD BE AFTER THE WORD "DESIGNATED."
.2	MR. ZAYED: THAT'S FINE, YOUR HONOR.
.3	THE COURT: YES, OKAY. LET ME JUST GET THAT
4	"DESIGNATED."
L 5	"DESIGNATED BY AN OPPOSING OR THIRD PARTY
16	IN THIS ACTION AS CONFIDENTIAL, THAT PARTY MUST"
L 7	ET CETERA, ET CETERA.
L 8	MS. TAYLOR: YOUR HONOR, CAN I JUST ASK FOR ONE
L9	MORE POINT.
20	THE COURT: SURE.
21	MS. TAYLOR: INSTEAD OF SAYING "IS SERVED WITH,"
22	COULD WE JUST SAY "RECEIVES" SINCE WE WANT TO EMBODY ORAL
23	REQUESTS TO THE EXTENT THERE MAY BE ORAL REQUESTS.
24	THE COURT: ANY PROBLEM WITH THAT?
25	MR. ZAYED: NO, YOUR HONOR.

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11 THE COURT: THIS IS FINE. THIS NOW BECOMES A TEMPLATE FOR OTHER CASES. SO, LET'S CONTINUE WORKING ON IT. MS. TAYLOR: GREAT. THANK YOU, YOUR HONOR. THE COURT: ALL RIGHT. "IF A PARTY RECEIVES A REQUEST, " ET CETERA, AND, THEN, IT WILL BE AFTER THE WORD "DESIGNATED" THAT WE'LL PUT "BY AN OPPOSING OR THIRD PARTY," AND THEN CONTINUE ON. OKAY. ASSUMING MY SECRETARY CAN READ THIS, WE SHOULD GET SOMETHING THAT MAKES SENSE. CAN WE MOVE ON TO THE NEXT ONE? MS. TAYLOR: YES. THE COURT: OKAY. ALL RIGHT. SO, THIS IS THE COUNTERCLAIM DEFENDANT'S MOTION TO QUASH THIRD-PARTY SUBPOENAS. I'M HAPPY TO TAKE SOME ARGUMENT ON THIS. MR. KREINDLER: YOUR HONOR, WE APPRECIATE THE TENTATIVE. AND I DON'T REALLY WANT TO SPEND VERY MUCH TIME TRYING TO TALK YOU OUT OF THAT TENTATIVE, ALTHOUGH WE -- WE DO OBVIOUSLY RESERVE OUR RIGHT TO OBJECT TO THE COURT'S RECOMMENDATION TO THE DISTRICT COURT. REALLY WHAT I WANTED TO DISCUSS --THE COURT: MAY I JUST -- MAY I JUST INDICATE. I FULLY AGREE. TAKE ME UP IF YOU WANT, BUT IT'S NOT A RECOMMENDATION. IT IS AN ORDER -- JUST SO WE'RE CLEAR ON

THAT. THIS IS AN ACTUAL ORDER WHICH YOU HAVE TO TIMELY FILE

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12 A NOTICE THAT YOU WANT TO CHALLENGE. AND YOU'RE WELCOME TO DO THAT, OF COURSE. MR. KREINDLER: UNDERSTOOD. THE COURT: OKAY. GO AHEAD. MR. KREINDLER: UNDERSTOOD, YOUR HONOR. I DID WANT TO BRING UP WITH THE COURT THE ISSUE OF A POTENTIAL STAY OF THE DISCOVERY AGAINST MICHAEL AND JULIAN OMIDI. JUST SO THE COURT KNOWS, PRIOR TO YOU TAKING THE BENCH WE HAD A DISCUSSION WITH COUNSEL, AND WE HAVE AGREED THAT WE WOULD GO AHEAD AND FILE A MOTION FOR STAY BEFORE YOUR HONOR AT THE SOONEST POSSIBLE TIME. WE'RE GOING TO WORK ON A BRIEFING SCHEDULE TO STAY THIS. AND IN THE MEANTIME UNITED HAS AGREED NOT TO SERVE ANY ADDITIONAL THIRD-PARTY SUBPOENAS NOR PURSUE THE ONES THEY HAVE ALREADY SERVED UNTIL THAT MOTION IS FINALLY DECIDED BY YOUR HONOR. THE COURT: NO, I APPRECIATE THE HEAD'S UP. BUT LET ME JUST MAKE A CORRECTION ON THAT. THE MOTION TO STAY HAS TO GO TO JUDGE FITZGERALD, NOT TO ME. MR. KREINDLER: WELL, HE -- YOUR HONOR, I APPRECIATE --THE COURT: UNLESS HE SENT IT BACK --MR. KREINDLER: HE DID.

THE COURT: ARE WE PING-PONGING THIS NOW?

YET.

MR. KREINDLER: YES. WE HAD OUR HEARING BEFORE -EXACTLY. WE HAD OUR HEARING BEFORE JUDGE FITZGERALD ON
WEDNESDAY IT WAS, AND I BROUGHT THIS ISSUE UP. AND HE -- I
THINK HE INSTRUCTED US TO COME HERE FOR THE MOTION TO STAY.

AND I SPECIFICALLY BROUGHT UP -- I DON'T WANT TO

GET CAUGHT BETWEEN THE TWO COURTS -
THE COURT: RIGHT.

MR. KREINDLER: I ASSUME THAT WAS COUNSEL FOR

MR. KREINDLER: I ASSUME THAT WAS COUNSEL FOR
UNITED'S UNDERSTANDING AS WELL, THAT IT SHOULD BE BEFORE YOUR
HONOR.

THE COURT: WELL, IF THAT'S WHAT JUDGE FITZGERALD WANTS, YOU KNOW, I'M ONLY ON THE FIFTH FLOOR. HE'S OVER ON THE 16TH. HE'S GOT -- WHAT? -- ELEVEN FLOORS ON ME AND A TITLE.

BUT IN ALL SERIOUSNESS, I WOULD HAVE THOUGHT HE
WOULD DO IT BECAUSE, YOU KNOW, HE'S GOT THE SCHEDULING ORDER.
SO, IF HE SENDS ME YOUR STIPULATION TO STAY AS TO THE OMIDIS,
HOW THAT WOULD AFFECT THE REST OF THE CASE AND THE SCHEDULING
ORDER, THAT'S -- THAT'S WHY I SAY IT'S A DISTRICT JUDGE
DECISION BECAUSE IT'S NOT A CONSENT CASE.

SO, I DON'T KNOW WHEN YOUR -- DO YOU ALREADY HAVE A SCHEDULING ORDER WHICH CUTS OFF DISCOVERY, FACT DISCOVERY, THAT SORT OF THING?

MR. ZAYED: NO, YOUR HONOR. WE DON'T HAVE AN ORDER

THE COURT: OH, YOU DON'T.

POSITIVE.

WELL, DO YOU BOTH AGREE -- I MEAN, DO YOU AGREE,

COUNSEL, THAT JUDGE FITZGERALD WANTS THAT TO COME TO ME?

MR. ZAYED: I BELIEVE SO, YOUR HONOR. I WASN'T

CLEAR EXACTLY WHAT JUDGE FITZGERALD ACTUALLY ORDERED. IT

SEEMED TO ME THAT MR. KREINDLER WAS ASKING WHERE DO I BRING

THE STAY, AND THERE WAS A COLLOQUY, AND I BELIEVE THAT THE

JUDGE MAY HAVE REFERRED IT TO YOUR HONOR, BUT I'M NOT

MR. KREINDLER: THAT WASN'T COMPLETELY CLEAR, YOUR HONOR. I MEAN, I'M HAPPY TO BRING IT BEFORE JUDGE FITZGERALD OR YOUR HONOR. IT DOESN'T REALLY MATTER TO ME. I JUST WANT SOMEBODY TO RULE ON IT.

THE COURT: RIGHT. YOU ONLY HAVE TWO JUDGES, AND WE'RE ALL TRYING TO -- OKAY. WE'RE NOT TRYING TO AVOID WORK.

IN ALL SERIOUSNESS, I THINK IF THERE'S ANY LACK OF SURENESS ON YOUR PART, THAT YOU OUGHT TO DEFAULT TO FILING IT WITH JUDGE FITZGERALD. AND, YOU KNOW, IF HE COMES BACK TO YOU AND SAYS I TOLD YOU TO FILE IT WITH JUDGE KENTON. WELL, YOU KNOW, I DON'T THINK THAT WILL HAPPEN. HE COULD ALWAYS SEND IT OVER HERE. BUT FOR THE REASONS I STATED I THINK IT CREATES SOME POTENTIAL CONFUSION IN THE SCHEDULING OF THE CASE.

YOU HAVEN'T HAD A SCHEDULING CONFERENCE YET? IS THAT PLANNED?

MR. ZAYED: NO, YOUR HONOR.

THE COURT: NO.

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MR. ZAYED: BECAUSE -- THE PROBLEM, YOUR HONOR, IS THAT THIS IS RELATED TO ANOTHER MASSIVE CASE THAT'S BEFORE JUDGE FITZGERALD. WE COMPLETED THE RULE 26(F) IN THIS -- IN OUR CASE, BUT THE JUDGE DEFERRED HOLDING A RULE 16 CONFERENCE UNTIL HE LOOKED AT THE MOTIONS TO DISMISS ON ALL THE MATTERS AND FIGURED OUT WHAT HE WANTED TO DO. SO, WE STILL HAVE NOT HAD OUR RULE 16 CONFERENCE. WE'VE COMPLETED OUR RULE 26(F) REPORT WITH OUR PROPOSED DATES, BUT WE HAVE NOT HAD THE CONFERENCE.

THE COURT: UH-HUH.

MR. KREINDLER: YES, IT'S ALSO LIKELY THAT THERE WILL BE ANOTHER AMENDED CROSS-COMPLAINT THAT WILL BE FAIRLY SIGNIFICANT. SO, THAT MAY PLAY INTO IT AS WELL.

THE COURT: WELL, IF YOU -- YOU'VE AGREED TO -BETWEEN YOURSELVES STAY DISCOVERY AS TO -- MAY I CALL THEM
THE OMIDIS, RIGHT? SO, IN TERMS OF TIMING, FOR THE COURT TO
APPROVE YOUR STIPULATION, I GATHER YOU'RE WILLING TO WAIT
UNTIL A COURT -- THIS COURT OR JUDGE FITZGERALD -- SIGNS AN
ORDER.

AND I SAY THAT BECAUSE IF IT COMES TO ME, YOU KNOW, WITH THE HOLIDAYS COMING UP, WE HAVE NEXT WEEK. BUT AS FAR AS THE LAST TWO WEEKS OF THE YEAR THEY'RE KIND OF SPOTTY.

SO, HOPEFULLY, THAT WILL WORK FOR YOU, AND YOU'RE JUST GOING

16 TO CONTINUE ON WITH YOUR PRIVATE AGREEMENT. 1 2 MR. ZAYED: YES. 3 THE COURT: IT DOESN'T SEEM TO BE PREJUDICIAL SINCE 4 YOU'RE NOT LOOKING AT A DEADLINE AT THIS POINT. 5 MR. ZAYED: IF I MAY, YOUR HONOR, JUST TO BE CLEAR. 6 THE COURT: OKAY. 7 MR. ZAYED: UNITED DOES NOT AGREE TO ANY STAY. 8 THE COURT: OH. MR. ZAYED: WHAT WE HAVE AGREED TO IS A BRIEFING TO 9 10 AGREE -- THEY'RE GOING TO BRING A MOTION TO STAY. 11 THE COURT: I SEE. 12 MR. ZAYED: WE'RE GOING TO OPPOSE IT. THE COURT: RIGHT. 13 14 MR. ZAYED: AS A MATTER OF COURTESY BETWEEN THE 15 PARTIES, WE'VE AGREED -- OKAY. LET'S AGREE TO A BRIEFING SCHEDULE. LET'S BRING THAT MOTION BEFORE THE APPROPRIATE 16 17 JUDGE. IN THE MEANTIME UNITED WILL NOT ISSUE NEW SUBPOENAS 18 19 OR NEW DISCOVERY REQUESTS TO THIRD PARTIES OR TO THE PARTIES 20 THEMSELVES UNTIL THE STAY IS DECIDED. 21 THE COURT: TO ANY THIRD PARTIES? MR. ZAYED: YES. WE'RE GOING TO HOLD OFF UNTIL THE 22 23 COURT DECIDES. WE WANT TO MAKE SURE THAT WE'RE ALL -- WITH 24 RESPECT TO YOUR MOTION TODAY, THE MOTION TODAY, YOUR ORDER, 25 YOUR TENTATIVE, WE BELIEVE THAT THAT WILL BE FINAL AND

APPROPRIATE.

THEY MAY APPEAL. WHAT I'VE AGREED TO DO ON BEHALF
OF UNITED IS I WILL NOT SEEK TO ENFORCE THE SUBPOENAS THAT
ARE THE SUBJECT OF THIS COURT'S ORDER UNTIL THAT
DETERMINATION IS FINALLY ADJUDICATED AND I HAVE THE GREEN
LIGHT TO PROCEED.

AS TO THAT, I'M GOING TO CONTINUE UNLESS THERE'S A MOTION TO STAY THAT'S --

MR. KREINDLER: AND WE'LL PREPARE A STIPULATION TO THAT EFFECT, YOUR HONOR.

THE COURT: THAT'S ALL FINE. OKAY.

ON ANOTHER -- ARE WE DONE WITH THESE MOTIONS?

MR. ZAYED: YES.

MR. KREINDLER: I'M DONE.

THE COURT: WOW. 10 MINUTES WORKED, HUH. REMEMBER HOW IT WAS, YOU KNOW, YOU GET JUDGES WHO SET UNREALISTICALLY SHORT TIMES. AND THEN YOU MEET THEM. AND THEN THE JUDGES GET TRAINED LIKE A PAVLOVIAN ANIMAL THAT, GEE, IF I SET SHORT LIMITS, THEY'RE GOING TO DO IT. AND IT GETS SHORTER AND SHORTER.

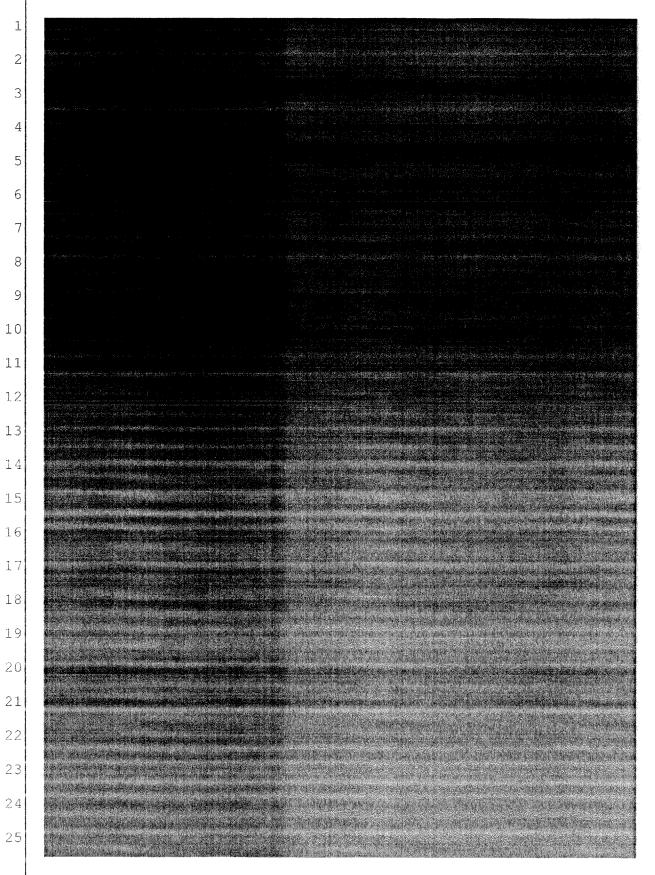
MR. KREINDLER: THAT'S WHEN YOU GET 10 MINUTES TO PUT ON YOUR CASE IN CHIEF THAT WE GET A LITTLE NERVOUS.

THE COURT: I THINK I KNOW WHAT COURT YOU MIGHT BE REFERRING TO.

AND COMPANY OF THE CONTRACT OF

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THE COURT: AND I RESPECT THAT. I RESPECT ALL

COUNSEL. I WOULD APPRECIATE, ALSO, A SENSE OF CIVILITY THAT

I SEE IN SPITE OF GOOD ADVOCACY BEING DISPLAYED. AND THAT'S

ALWAYS GOOD TO SEE. ALL RIGHT. MR. KREINDLER: THANK YOU, YOUR HONOR. THE COURT: THANK YOU, ALL. MR. ZAYED: THANK YOU, YOUR HONOR. THE CLERK: COURT IS ADJOURNED. (PROCEEDINGS ADJOURNED AT 10:21 A.M.)

CERTIFICATE I CERTIFY THAT THE FOREGOING IS A CORRECT TRANSCRIPT FROM THE ELECTRONIC SOUND RECORDING OF THE PROCEEDINGS IN THE ABOVE-ENTITLED MATTER. /S/ DOROTHY BABYKIN 12/20/14 FEDERALLY CERTIFIED TRANSCRIBER DATED DOROTHY BABYKIN

PROOF OF SERVICE

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

At the time of service, I was over 18 years of age and **not a party to this action**. I am employed in the County of Los Angeles, State of California. My business address is 333 South Hope Street, 43rd Floor, Los Angeles, CA 90071-1422.

On December 31, 2014, I served true copies of the following document(s) described as **COUNTERCLAIM DEFENDANTS' UNOPPOSED** *EX PARTE* **APPLICATION FOR REDACTION OF TRANSCRIPT** on the interested parties in this action.

BY CM/ECF NOTICE OF ELECTRONIC FILING: I electronically filed the document(s) with the Clerk of the Court by using the CM/ECF system. Participants in the case who are registered CM/ECF users will be served by the CM/ECF system. Participants in the case who are not registered CM/ECF users will be served by mail or by other means permitted by the court rules.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct and that I am employed in the office of a member of the bar of this Court at whose direction the service was made.

Executed on December 31, 2014, at Los Angeles, California.

/s/Pamila Chand Pamila Chand

SMRH:435657516.1 **26**